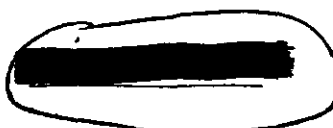


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## ARGENTINA'S POLITICAL SITUATION

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The military junta which took power on March 24, 1976 assumed full authority for governing Argentina and suspended any legislative authority outside itself. Under State of Siege decrees a large measure of judicial authority is in the hands of military courts, which are authorized to try cases of subversion. The activities of political parties have been suspended; many labor unions have been "intervened" by the military government and union activities elsewhere are suspended; the media has been in some cases intervened directly, but even where this is not the case there is an element of government control.

It would be difficult to exaggerate the balefulness of the political situation inherited by the Junta when it reluctantly took charge from Mrs. Peron. Government and political institutions had virtually ceased to function, and the economic situation was critical. Armed terrorists kidnapped and murdered and robbed almost with impunity. A result of this has been a consensus among thoughtful Argentines that the present military government is the best government that can be expected, or that at least any likely alternative to it would be less palatable.

Complaints about certain policies or acts of the government--in the economic field, or in its inattention to human rights for example--are however frequently heard and may even be growing more strident. Politicians ask for some form of participation, for recognition of the existence of parties and their leaders and authorization to maintain party structure; labor leaders want for themselves also a right of return, and find it urgent that union organization and the right of collective bargaining (and the right to strike) be restored; citizens concerned about torture, disappearances summary executions, and the thousands of persons held without charge and without trial ask that abuses be curbed. But no one has said "I can take power and handle it better." An extraordinarily large proportion of the population seems resigned to military rule for the indefinite future.

All this means that at least for the moment "politics" in Argentina means essentially "military politics." Civilians simply cannot get close enough to the table to play the game. Of the two civilian Cabinet ministers one

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(Dr. Martinez de Hoz, the Minister of Economy) is a brilliant technocrat whose sense of politics seems to derive solely from what he believes are the urgent requirements for Argentina's economic health; the other Minister (Dr. Catalan, who heads the Education Ministry) can be described as an earnest man able to trim his sails to the reality of military rule; the senior bureaucracy and the provincial governorships have been so well leavened with military appointees that it is safe to doubt whether any civilian initiative could surface as a policy decision without the blessing of a military figure each step along the way.

The military politics that are played are intricate and peculiar. A central theme is inter-service rivalry, of a kind so well demonstrated and commonly known that whole ministries are said to "belong" to one service or another--an interesting example being the Ministry of Foreign Affairs, which is a Navy adjunct. Although the the Ministry of Labor "belongs" to the Army, certain unions have close Navy connections. In the war against terrorism the Army was given formal leadership in a state of integration with the national police, but the Navy is commonly believed to have its own discrete intelligence service, to conduct its own raids and on occasion hold its own prisoners. A principal factor in this rivalry is Admiral Massera's ambition to be President. The Navy frequently adopts postures aimed at weakening Videla in order to enhance Massera's political chances.

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A separate paper describes United States human rights concerns and how they affect our policy and dealings in Argentina. Bilateral relations became especially strained when in March the Secretary of State announced dramatic cutbacks in military cooperation foreseen for Argentina in the 1978 fiscal year--an announcement reciprocated by the Argentines when they shortly thereafter declared they would accept no equipment sales credits for that fiscal year. Human rights concerns have blocked expenditure of credits already appropriated for fiscal 1977, and these concerns caused the Congress to terminate all forms of military cooperation after September 30, 1978.

This is heavy weather. Members of the Argentine Government for the most part however appear to have taken heart from a series of U.S. visitors during August of 1977--or, if not from the visitors themselves at least from the U.S. concentration of attention Argentina seemed to be "enjoying." (However some elements in the government criticized Videla for having submitted to "humiliating inspections.") These visits--by Human Rights Coordinator

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Derian, Assistant Secretary of State Todman, Congressman Gus Yatron and members of the House Latin America Subcommittee, Senators Hollings and Scott--in fact did a great deal to increase bilateral understanding, as did the "private" visit of an AFL/CIO mission and the less publicized visit to Buenos Aires of George Dalley, a Deputy Assistant Secretary of State in International Organizations affairs. President Videla's fortuitous September 6-10 visit was a giant step in the "rapprochement" process and it resulted in promise of yet another visit--that of Secretary Vance.

The toughest policy question the U.S. has to face now is how to maintain this momentum and improve bilateral relations while taking cognizance that human rights violations continue to take place here--albeit, perhaps, at a reduced level. President Videla made important commitments in the U.S. about getting a hold on out-of-control anti-subversive groups which have expanded their efforts beyond what the government itself would have, and about a wound down anti-terrorist war which will have largely won its battle by Christmas of this year. If he brings off these things a challenge to U.S. policy will be to match Videla's measures with a lightening of our own decisions taken as a result of disapproval of Argentine human rights violations.

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